

CHUGACH ELECTRIC ASSOCIATION, INC.  
Anchorage, Alaska

**BOARD MEETING**  
**AGENDA ITEM SUMMARY**

May 21, 2003

**ACTION REQUIRED**

**AGENDA ITEM NO. IX. E.**

**Information Only**  
 **Motion**  
 **Resolution**  
 **Executive Session**  
 **Other** \_\_\_\_\_

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**TOPIC**

Board Policy 108 – Compensation of Directors

**DISCUSSION**

The approval by the members at Chugach Electric Association, Inc.'s 2003 annual meeting of amendments to Article IV, Section 9, **Compensation** of the bylaws will require changes to Board Policy 108 (Compensation of Directors). The amendments eliminated the set \$100 meeting attendance fee and the prohibition against receiving a meeting fee for travel time to and from meetings, allowing the Board to establish different amounts for these fees. Also, staff recommended that the Board further revise the policy to provide for language concerning directors traveling in their own vehicles or aircraft, and to the title of the policy. Lastly, the bylaw amendment approved at the annual meeting to change the title of the Board officers and the General Manager also required revisions to this Policy.

At its May 7 meeting, the Board Operations Committee recommended for referral to the full Board for approval the revisions to Board Policy 108 as reflected in the attached redlined version. A clean version of revised Board Policy 108 is also attached. The meeting and travel fee amounts approved by the Operations Committee are the same as those of Golden Valley Electric Association, Inc.

**GENERAL MANAGER'S RECOMMENDATION**

N/A

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 108

DATE: December 13, 2000

COMPENSATION OF DIRECTORS MEETING FEES AND EXPENSES

**I. OBJECTIVE**

To provide fair and equitable compensation to Association directors for attendance of Chugach Electric Association Directors at Board, committee, member and other meetings.

**II. CONTENT**

A. A meeting attendance fee of ~~\$100~~ \$250 for each day, or for each fraction thereof, and reasonable out-of-pocket expenses, will be paid to Directors when attending Board, member—or committee meetings, in person or by telephone, or when otherwise representing the Association in an official capacity, for a meeting or meetings, which cumulatively total four hours or less in one day, including travel time, and \$350 for attendance which cumulatively exceeds four hours in one day, including travel time. If more than one meeting is held the same day, only one day's meeting attendance fee will be paid.

1. Multi-day Meeting. ~~—d~~Directors shall be paid a meeting attendance fee of compensated in the amount of \$100.00-\$250 per day for each day, or a fraction thereof, of multi-day meetings which are four hours or less in length, plus reasonable out-of-pocket expenses, and \$350 per day for multi-day meetings which exceed four hours per day. Each day of a multi-day meeting counts as a meeting for the purposes of the 70 day meeting limit (limit of 85 meetings for the Chairman of the Board~~President~~).

2. Multiple Meetings in One Day - a maximum of ~~\$100.00~~ \$350 per day, plus reasonable out-of-pocket expenses, shall be paid to a Board member, regardless of the length of travel or number of meetings or other events which a member attends in his or her official capacity in a day.

No attendance other than regular or special board meetings shall be reimbursed unless authorized and approved in advance by the majority vote of the Board.

B. A director may fly his own aircraft to a meeting or while on Association business within the State of Alaska. The aircraft must be operated in compliance with the Federal Aviation Regulations and the director and aircraft must be approved by and covered under the Association's Non-Owned Aviation insurance policy. No more than two directors and no more than two key staff may travel aboard an aircraft provided or

piloted by a director.

C. Directors traveling in their own vehicles or aircraft will be paid a meeting attendance fee of \$350 for each day of travel to and from meetings, conferences or when otherwise representing the Association outside of the State of Alaska, but will be paid only for those travel days that would normally be required if the director had traveled by commercial airline. The meeting attendance fee will be paid only for the day(s) of the meeting(s) and not for travel time to and from such meetings.

€D. A cash advance may be secured prior to travel upon submittal of a Cash Advance Request form, not to exceed \$200 per day.

ƉE. Directors shall be reimbursed for all legitimate expenses for attendance at such meetings upon submission of a detailed expense account, with receipts attached as appropriate. Such expense accounts shall be reviewed and approved by the majority vote of the board. No expenses will be paid for spouses of Directors accompanying them to meetings. Travel shall be reimbursed on the following basis:

1. If commercial air travel is available, then regardless of the method of travel used, reimbursement shall be for the expenses actually incurred, but shall not exceed round trip airfare by the most economical means. All air travel arrangements will be made through the Office of the ~~General Manager~~ Chief Executive Officer and will take advantage of the most economical rate available.
2. First-class air travel shall not be approved for payment; however, the Director may travel first-class providing the Director charges the Association only the appropriate coach-class rate.
3. If a Director elects to travel by personal automobile or personal aircraft, mileage reimbursement shall be at the current rate established by the Internal Revenue Service and shall not exceed the cost of round trip airfare by the most economical means. Directors are encouraged to pool vehicles whenever possible.

€F. Any Director authorized by the Board of Directors to attend a conference or training program will be paid meeting attendance fees, travel and reasonable out-of-pocket expenses. All arrangements shall be made through the Office of the Chief Executive Officer ~~General Manager~~. The Association shall pay registration fees and, when possible, prepay accommodations.

€G. No travel expenses to or from regular or special Board meetings shall be reimbursed, without prior authorization by the Board.

### **III. RESPONSIBILITIES**

- A. It shall be the responsibility of the Chairman of the Board~~President~~ to ensure that the provisions of this policy are carried out.
- B. A summary of the meeting attendance fees and other expenses of Directors is to be itemized and published annually.

Date Approved: December 13, 2000

Attested: \_\_\_\_\_  
Secretary of the Board

BP: 108